

**BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.**

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Application of)	
)	
DELTA AIR LINES, INC.)	Docket OST-2004-
)	
for an exemption under 49 U.S.C. § 40109)	
(Salt Lake City – San Jose Del Cabo, Mexico))	
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APPLICATION OF DELTA AIR LINES, INC. FOR AN EXEMPTION

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August 10, 2004

Note: Delta will conduct a poll of all carrier representatives listed on the service list attached to this application to determine if there are any objections to this application.

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APPLICATION OF DELTA AIR LINES, INC. FOR AN EXEMPTION

Delta Air Lines, Inc. (“Delta”) hereby requests an exemption to operate new nonstop service between Salt Lake City International Airport and San Jose Del Cabo, Mexico (Los Cabos) beginning on or about January 31, 2005. Delta’s new service will provide Salt Lake City with its only nonstop service to Los Cabos, and will also provide attractive new online connections between Los Cabos and the numerous cities served by Delta and the Delta Connection carriers from Salt Lake City. The proposed new flight will initially operate as a daily, seasonal service from January 31 to May 31 Saturday service, using Boeing 737-800 aircraft in a 150 seat all-coach configuration.

Accordingly, Delta requests an exemption pursuant to 49 U.S.C. § 40109 and Subpart C of the Department’s Rules of Practice in Proceedings, to permit Delta to engage in scheduled foreign air transportation of persons, property and

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mail between Salt Lake City, Utah and San Jose Del Cabo, Mexico, and to combine this authority with all of Delta's existing certificate and exemption authority, consistent with applicable international agreements.

Delta's Salt Lake City-Los Cabos service is scheduled to begin on January 31, 2005, and requires advance marketing and sales efforts to ensure successful implementation. Delta requests that its exemption authority be granted as soon as possible¹ and be effective for a period of at least two years, or until 90 days after certificate authority is issued for the route, whichever occurs earlier.

In further support of this Application, Delta states as follows:

1. Delta is fit, willing, and able to perform the Salt Lake City-Los Cabos services applied for herein. Delta operates numerous services between the United States and Mexico under various exemptions and pursuant to Delta's certificate authority for Routes 562 and 630. See Orders 2000-5-31 and 92-5-20. Delta requests that the Department take official notice, pursuant to Rule 24 of the Department's Rules of Practice, of all data on file with the Department necessary to establish Delta's fitness.

2. Approval of Delta's exemption is in the public interest and will provide important new service and competitive options for U.S.-Mexico travelers

¹ The Delta will conduct a poll of all persons listed on the attached service list and will promptly notify the Department of the results.

and shippers. The availability of new nonstop service between Salt Lake City and Los Cabos will enhance competition and expand price and service options for consumers traveling between the United States and Mexico. Los Cabos will be the fourth nonstop destination in Mexico offered by Delta from its Salt Lake City hub (including the Salt Lake City-Cancun service announced by Delta early this year and the nonstop service to Mexico City and Hermosillo operated by Aeromexico). The expansion of Delta's Salt Lake City-Mexico routes demonstrates the success and importance of such services.

3. Approval of the requested exemption is consistent with the U.S.-Mexico Air Transport Services Agreement, as amended. Under the Agreement, two carriers of each country may be designated to provide nonstop service between any given U.S.-Mexico city-pair. There are no carriers providing service on the Salt Lake City-Los Cabos route today, and two designation opportunities are available.

4. The environmental impacts of the proposed service are *de minimis*, and Delta does not anticipate that its Salt Lake City-Los Cabos service will cause a near-term net annual change in aircraft fuel consumption of 10 million gallons or more.

WHEREFORE, Delta requests that the Department promptly grant the exemption authority described herein, and grant such other and further relief as the Department deems to be in the public interest.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "R. Van der Bellen", written over a horizontal line.

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application of Delta Air Lines, Inc. has been served this 10th day of August, 2004, on all persons listed below in accordance with the Department's rules.

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